

IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF ALABAMA
NORTHERN DIVISION

RELIASTAR LIFE INSURANCE,)	
)	
Plaintiff,)	
)	
v.)	CIVIL ACTION NO. 2:05CV285-VPM
)	[WO]
LYNN ULRICH, et al.,)	
)	
Defendants.)	

ORDER ON MOTION

On 29 March 2005, the plaintiff ["Reliastar"] filed with the court an interpleader complaint in which it named two defendants who claimed entitlement to the proceeds of a life insurance policy that Reliastar issued to the late Michael Hedrick (Doc. # 1). Simultaneously with the filing of the complaint, Reliastar deposited the sum of \$281,748.22 with the Clerk of the court, reflecting the death benefit of \$279,000 plus accrued interest. *Id.* at ¶ 5.

The defendants have now resolved their dispute and have entered into a settlement agreement pursuant to which the funds from the life insurance policy will be utilized first to pay the agreed upon litigation expenses incurred by the defendants. (Doc. # 11). The remainder "shall be paid over to Defendant, Lynn Ulrich, as Trustee of each of [Michael Hedrick's] . . . three minor children, Ryan M. Hedrick, Lauren M. Hedrick, and Matthew Hedrick" through the trust account of her attorney, Richard A. Harrison. *Id.* In conjunction with the agreement, the defendants filed a motion to require the Clerk to distribute the funds.

Reliastar, which has no interest in this lawsuit other than its desire to be discharged as a party from federal litigation (Doc. # 12), has offered no objection.

Since the initiation of this lawsuit and initial deposit of funds, additional interest in the amount of \$11,159.18 has accrued, and the court must, upon disbursing the funds, pay to the Treasury of the United States an amount equal to 10 percent of the accrued interest (\$1,115.92) as a fee for handling the funds.¹ In addition, as compensation for attorney fees and litigation expenses incurred, the attorney for defendant Lynn Ulrich, Richard A. Harrison, Esq., has agreed to accept the sum \$6,000 as full payment of his fees (Doc. # 22). The attorney for defendant Judy Phillips, Nicholas S. Hare, Jr., Esq., has agreed to accept the sum \$4,000 as full payment of his fees (Doc. # 21). Thus, the total amount to be disbursed to attorney Harrison's trust account for the purpose of funding the trusts is \$281,791.48.

Accordingly, it is hereby

ORDERED that the defendants' Motion to Distribute Funds Deposited with Clerk of the Court (Doc. # 11) is GRANTED. It is further

ORDERED as follows:

1. The Clerk is directed, before the close of business on 28 April 2006, but not before 28 April 2006, to disburse the funds deposited in this case with accrued

¹Pursuant to 28 U.S.C. § 1914(b) and FRDOC 91-26415 reported at 56 Fed. Reg. 56356 (November 4, 1991) as well as directions received from the Administrative Office of the United States Courts on 7 February 1992.

interest in the following manner and in separate checks:

- a. \$1,115.92, payable to the Treasury of the United States (account 510100);
 - b. \$6,000, payable to Richard A. Harrison;
 - c. \$4,000, payable to "Hare & Hare"; and
 - d. \$281,791.48 payable to the "Richard A. Harrison Trust."
2. For the purpose of making the aforesaid disbursements, the Clerk is directed to withdraw the sum of \$292,907.40 from the money market account of the Regions Bank, Montgomery, Alabama, in which the funds have been invested;
 3. After receiving the funds to be redistributed to the trusts and upon redistributing said funds, attorney Harrison shall file with the court and serve upon the other parties in this case copies of the checks issued to fund the trusts for the Hedrick children.
 4. On or before 10 May 2006, the parties shall file a joint motion to dismiss this case with prejudice or a Notice advising the court of their reasons for their inability or unwillingness to do so.

DONE this 27th day of April, 2006

/s/ Vanzetta Penn McPherson
VANZETTA PENN MCPHERSON
UNITED STATES MAGISTRATE JUDGE